



United States Mission to the OSCE

Response to the Annual Report of Activities of the Office of Internal Oversight, Financial Report and Financial Statements for 2023, the Report of the External Auditor, and the Annual Report of the Audit Committee

As delivered by Chargé d'Affaires Katherine Brucker
to the Permanent Council, Vienna
July 18, 2024

Dr. Kraker and Mr. Guozden, welcome to the Permanent Council.

The United States has reviewed with attention the Annual Report on the Activities of the Office of Internal Oversight, the Financial Reports and Financial Statements for 2023, the Report of the External Auditor, and the Annual Report of the Audit Committee.

We thank the Secretariat, the Department of Management and Finance, the Office of Internal Oversight, and the External Auditor for their thorough work. Your analysis and clear presentation of the OSCE's financial status provide invaluable insight that is essential for the organization's continued transparency, accountability, and financial health.

The Financial Report and Financial Statements, along with the External Auditor's report, show that despite challenges posed by the lack of a unified budget, the Organization demonstrated resilience and effective stewardship of resources, allowing us to continue our important work.

Having said that, we must acknowledge the OSCE's increasingly dire financial situation. The lack of consensus on a unified budget since 2021 has placed significant strains on all aspects of the Organization. The Secretary General, all heads of institutions and heads of field presences have told us in the starkest terms the pain we are inflicting on our own employees and how we are undermining the work, we, the participating States, have mandated. The lack of a budget threatens the OSCE's capacity to effectively carry out its mandates in and across the three dimensions of security. The external auditor's report highlights these financial constraints and the need for a sustainable budgetary framework that adequately funds the OSCE. We urge all participating States to engage in good faith to pass a 2024 unified budget as soon as possible.

The United States supports the hard work that many have put in to ensuring the OSCE's financial health. We urge all participating States to back critical oversight functions, adhere to the highest standards of financial integrity, and embrace the recommendations

of the Audit Committee. Together, we can enhance the OSCE's capacity to address current and future challenges effectively.

Finally, the United States would like to thank the Austrian Court of Audit for its exemplary service as the OSCE's external auditor. The thorough and professional audits have significantly contributed to ensuring transparency and accountability within our Organization. We greatly appreciate your dedication and meticulous work over the past year. Given your exceptional performance and the vital role the external auditor plays, we ask that you to continue. Your familiarity with the OSCE and your considerable expertise will ensure our organization upholds the highest standards of financial integrity and trust.

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